

Joint Inquiry Staff Statement, Part I
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Foreword

Chairman Graham, Chairman Goss, before I proceed with my statement, I want to make clear to you and the members of these two Committees that the information I am going to present has been cleared for public release. As you know, much of the information the Joint Inquiry Staff has been examining is highly classified. Over the last two months, we have been working with the Intelligence Community in a long and arduous process to declassify information we believe is important to the public's understanding of why the Intelligence Community did not know of the September 11 attacks in advance. By late last night, we were able to resolve all but two issues.

The Director of Central Intelligence has declined to declassify two issues of particular importance to this Inquiry:

- 1 Any references to the Intelligence Community providing information to the President or White House; and
- 1 The identity of and information on a key al-Qa'ida leader involved in the September 11 attacks.

According to the DCI, the President's knowledge of intelligence information relevant to this Inquiry remains classified even when the substance of that intelligence information has been declassified. With respect to the key al-Qa'ida leader involved in the September 11 attacks, the DCI declined to declassify his identity despite an enormous volume of media reporting on this individual.

The Joint Inquiry Staff disagrees with the DCI's position on both issues. We believe the American public has a compelling interest in this information and that public disclosure would not harm national security. However, we do not have independent authority to declassify intelligence information short of a lengthy procedure in the U.S. Congress. We therefore prepared this statement without detailed descriptions of our work in these two areas.

Introduction

Chairman Graham, Chairman Goss, members of this Joint Committee, good morning. I appreciate the opportunity to appear here today to advise the Committees, and the American public, on the progress to date of the Joint Inquiry Staffs review of the activities of the U.S. Intelligence Community in connection with the September 11 terrorist attacks on the United States. As the horror and sheer inhumanity of that day engulfed this nation, all of us struggled with the shock, the utter disbelief, and the inevitable search for answers. The questions, if not the answers, were obvious: How could we have been so surprised? What did our government, especially our intelligence agencies, know before September 11, 2001? Why didn't they know more? What can we do to strengthen and improve the capabilities of our intelligence agencies and, as a result, help save ourselves, and our children, from ever having to face this again?

On February 14, 2002, the leadership of these two Committees announced their resolve to come together to find credible answers to those sobering, but critically important questions. The Committees joined in an unprecedented, bicameral, and bipartisan Joint Inquiry effort to meet that challenge. With the support of the Senate and House leadership and the White House, the Joint Inquiry focused its work on seven areas of investigation:

- The evolution of the international terrorist threat to the United States, the response of the United States Government, including that of the Intelligence Community to international terrorism, from the creation of the Director of Central Intelligence's (DCI) Counter-terrorist Center (CTC) in 1986 to the present, and what the Intelligence Community had, has, or should have learned from all sources of information, including any terrorist attacks or attempted ones, about the international terrorist threat to the United States;
- What the Intelligence Community knew prior to September 11 about the scope and nature of any possible terrorist attacks against the United States or United States interests by international terrorists, including by any of the hijackers or their associates, and what was done with that information;
- What the Intelligence Community has learned since the events of September 11 about the persons associated with those events, and whether any of that information suggests actions that could or should have been taken to learn of, or prevent, those events;
- Whether any information developed before or after September 11 indicates systemic problems that may have impeded the Intelligence Community from learning of or preventing the attacks in advance, or that, if remedied, could help the Community identify and prevent such attacks in the future;
- How and to what degree, the elements of the Intelligence Community have interacted with each other, as well as with other parts of the federal, state, and

local governments, with respect to identifying, tracking, assessing, and coping with international terrorist threats; as well as biological, chemical, radiological, or nuclear threats, whatever their source (such as the Anthrax attack of 2001);

- 1 The ways in which the Intelligence Community's responses to past intelligence problems and challenges, whether or not related to international terrorism, have affected its counterterrorism efforts; and
- 1 Any other information that would enable the Joint Inquiry, and the Committees in the performance of their continuing responsibilities, to make such recommendations, including recommendations for new or amended legislation and any administrative or structural changes, or other actions, as they determine to be necessary or desirable to improve the ability of the Intelligence Community to learn of, and prevent, future international terrorist attacks.

Given the scope of the areas of investigation as well as the size of the Intelligence Community, it was clear from the outset that this effort would necessarily entail the review of massive amounts of documentation and other information, as well as interviews of numerous individuals, both within the Intelligence Community and elsewhere. To conduct the review, the Committees assembled a single staff— the Joint **Inquiry Staff** — of twenty-four highly skilled professionals with considerable experience in such areas as intelligence collection, analysis, management, law enforcement, investigations and oversight. That staff has been divided into five investigative teams, each responsible for reviewing different aspects of the counterterrorist effort.

My purpose today is to report to you on the results of the Joint Inquiry Staff efforts to date. My testimony this morning, as well as this initial series of public hearings, is intended to address the first of three stages of the Joint Inquiry's work. The Inquiry's initial task; which we will discuss this morning, was to conduct a factual review of what the Intelligence Community knew or should have known prior to September 11, 2001, regarding the international terrorist threat to the United States, to include the scope and nature of any possible international terrorist attacks against the United States or United States interests. Future hearings will address the next stage of this Inquiry, which focuses on the examination of any systemic problems that may have impeded the Intelligence Community from learning of or preventing these attacks in advance. Finally, the Inquiry will address, in both hearings and a subsequent report, recommendations to improve the Intelligence Community's ability to identify and prevent future international terrorist attacks.

I should also note that my presentation this morning on the factual review is, by necessity, an "interim" statement on that effort. The staff's actual investigative work, such as document review and witness interviews, began in earnest in April 2002. While the staff has made substantial headway in the huge effort required for this inquiry, I cannot at this point report that its work is finished. As we sit here this morning, other

members of the Joint Inquiry Staff are continuing to make their way through the massive amount of documentation and information that is relevant to this inquiry. While I will share with you the results of our work to date in a number of specific areas, I caution that the inquiry remains “a work in progress” and that we may be developing additional, relevant information as our work continues. That being said, we feel it is important to share with the American people, through these hearings, what we have found through our efforts to date.

Let me briefly describe the way in which the Joint Inquiry Staff has approached this review.

At an early point in the inquiry, it became apparent that a focused approach was essential to an effective and efficient analysis of the vast amounts of information that could potentially be involved in this kind of review. We decided to target our search on categories of information that would most likely yield any intelligence material of relevance to the September 11 attacks. Specifically, our teams requested and reviewed from the Intelligence Community agencies:

- | Any information obtained before September 11 suggesting that an attack on the United States was imminent, and what was done with it;
- | Any information obtained before September 11 that should have alerted the Intelligence Community to this kind of attack, i.e., using airplanes to attack buildings, and what was done with it;
- | Any information obtained before September 11 about the 19 dead hijackers, as well as Zacarias Moussaoui, and what was done with it; and
- | Any information obtained after September 11 about the hijackers and their backgrounds (including their involvement with al-Qa’ida), entry into this country, and activities while in this country, as well as why they never came to the attention of the U.S. Government.

A large part of our effort has been centered in the on-site work of our investigative teams assigned to the Central Intelligence Agency, the Federal Bureau of Investigation, and the National Security Agency, where the most extensive universe of potentially relevant intelligence information resides. The Joint Inquiry Staff has also interviewed officials and requested and reviewed materials at other intelligence and other U.S. Government agencies, among them: the Departments of Defense, State, Treasury, Justice, Transportation, and Energy, as well as a number of private sector individuals and organizations.

To supplement that labor-intensive effort, the Joint Inquiry Staff also submitted written questionnaires to these organizations. We will submit separately for the record a classified summary of relevant information that was provided in the written responses to those questionnaires.

Regarding the scope of this ongoing document-gathering effort, I can report to date that the staff has reviewed over 400,000 pages of relevant documents, identified and selected over 66,000 pages for our central records, and documented approximately 400 interviews and technical discussions.

Scope of the Information to be Presented Today

Because this is a public hearing about the activities of the Intelligence Community, let me also say a few words about some of the terms and concepts that are particularly relevant to our Inquiry.

As Members of these Committees are well aware, the U.S. Government divides terrorism into two categories. Domestic terrorism is perpetrated by domestic groups in the United States and is beyond the scope of the Joint Inquiry. International terrorism is within the scope of this Inquiry and involves the territory or citizens of more than one country; it includes acts perpetrated by international groups either in the United States or against U.S. interests overseas.

This Inquiry is focused for the most part on international terrorist acts perpetrated by Usama Bin Ladin's network, just one international terrorist group that poses a danger to U.S. interests.

Many people instantly associate the term "Intelligence Community" with the Central Intelligence Agency. When we use the term "Intelligence Community" we are referring to the group of fourteen government agencies and organizations that, either in whole or in part, conduct the intelligence activities of the United States Government:

- Central Intelligence Agency (CIA);
- Department of the Treasury;
- Department of Energy;
- Department of State;
- Defense Intelligence Agency (DIA);
- Federal Bureau of Investigation (FBI);
- National Imagery and Mapping Agency (NIMA);
- National Reconnaissance Office (NRO);
- National Security Agency (NSA);
- U.S. Air Force Intelligence;
- U.S. Army Intelligence;
- U.S. Coast Guard Intelligence
- U.S. Navy Intelligence; and
- U.S. Marine Corps Intelligence.

The Intelligence Community has multiple responsibilities with respect to counter-terrorism, all of which are relevant to this Inquiry. Among the most important are:

- . Collecting, analyzing, and disseminating information regarding terrorist incidents and groups that perpetrate terrorism, including such things as how these groups are organized, who their leaders are, what their objectives are, their weapons and tactics, and whether they are receiving any support from any state sponsors;
- 1 Issuing warnings to policymakers to counter potential terrorist threats;
- 1 Preventing, preempting, and disrupting terrorist operations; and
- 1 Supporting diplomatic, legal, and military operations against terrorism.

The Joint Inquiry is examining the Intelligence Community's performance of all these responsibilities as **they** relate to the attacks of September 11, 2001.

With respect to the Intelligence Community's role in warning of impending terrorist operations, our review has focused on both strategic and tactical warning capability. "Strategic warning" is used to describe instances in which the Intelligence Community has very broad indications that an attack may occur but does not have the specifics as to where, when, or how the attack will be carried out. An example would be when terrorists are overheard talking to each other in general terms about the impact that an attack might have without mentioning the precise target of the attack. Strategic warning enables policymakers and government decision-makers to take steps to strengthen anti-terrorist defenses and initiate other counter-terrorist actions.

"Tactical warning" may be issued when the Intelligence Community has not only broad indicators of an impending attack but also more detailed information on where, when, or how the attack might be carried out. Tactical warning enables policymakers and government decision-makers to direct preventive action against specific individuals who may be involved in the planned attack and to implement appropriate protective action for specific targets. Ideally, such action occurs before the attack ever gets underway.

The distinction is important because, so far as the Inquiry has been able to determine to date, the Intelligence Community did have general indications of a possible terrorist attack against the United States or U.S. interests overseas in the spring and summer of 2001 and promulgated strategic warnings. However, it does not appear to date that the Intelligence Community had information prior to September 11 that identified precisely where, when and how the attacks were to be carried out.

Finally, the Intelligence Community employs various offensive and defensive tools to disrupt, preempt, and prevent terrorist operations. These tools include: intelligence gathering; analysis and dissemination; criminal investigations and prosecutions in the United States and overseas; renditions of terrorists abroad for prosecution in U.S. courts; raids on suspected terrorist facilities; use of watchlists to deny terrorists U.S. visas and entry into the United States, liaison relationships with foreign

intelligence and law enforcement services; covert action; and warnings promulgated to appropriate federal, state and local government agencies, the private sector, including, for example, the aviation industry, and the American public.

The Joint Inquiry is examining the Intelligence Community's efforts in each of these realms. However, several forms of Intelligence Community activity, including some offensive operations aimed at collecting intelligence or disrupting Usama Bin Ladin's terrorist network, remain highly classified and beyond the scope of information appropriate for a public hearing. This is particularly true given the national security concerns arising from the ongoing war on terrorism. While further detail on specific operations is inappropriate in a public forum, this Inquiry is reviewing those operations, both through the staffs investigation and through testimony in closed hearings. For purposes of today's public hearing, I can state that our review has to date confirmed that, prior to September 11, 2001:

- The Intelligence Community was engaged in numerous efforts to collect intelligence on Usama Bin Ladin's network and to disrupt his operations;
- The Intelligence Community's efforts spanned a large geographic area, from North America, to Europe, the Middle East, Africa, and Asia;
- The Intelligence Community achieved some successes-in some cases, major successes – in these operations. In other cases, little came of the Intelligence Community's operations.

The Joint Inquiry is also examining why those efforts, like the actions to be discussed in these public hearings, did not enable the U.S. Government to anticipate and prevent the September 11 attacks.

The Evolving Terrorist Threat: A Context for the September 11 Attacks

As part of its review of the evolution of the international terrorist threat against the United States, the Joint Inquiry Staff has produced a chronology that begins in 1982 and ends on September 11, 2001. That chronology, which I request be made part of the hearing record, notes significant events in international terrorism, with particular attention to the rise of Usama Bin Ladin and al-Qa'ida. The chronology also highlights significant counter-terrorist actions that were taken by the U.S. Government in response to the threat. Finally, based on our factual review, the chronology also indicates information received by the Intelligence Community that was potentially relevant to the September 11 attacks.

The chronology underscores several points regarding what the U.S. Government, specifically the Intelligence Community, knew about the international terrorist threat to the United States and U.S. interests prior to September 11, 2001:

- 1 September 11, while indelible in magnitude and impact, was by no means America's first confrontation with international terrorism. While the nature of

the threat has evolved and changed over time, it has long been recognized that United States interests were considered prime targets by various international terrorist groups;

- In response to a number of terrorist attacks on U.S. interests abroad during the 1980s, the U.S. Government initiated a focused effort against terrorism, including the establishment, by DCI William Casey, of the CTC at CIA headquarters in 1986. In 1996, the FBI created its own Counterterrorism Center at FBI headquarters;
- Both in terms of attempts and actual attacks, there was considerable historical evidence, prior to September 11, that international terrorists had planned and were, in fact, capable of conducting major terrorist strikes within the United States. The 1993 attack on the World Trade Center, the subsequent discovery in 1993 of plots to bomb New York City landmarks, and the arrest in 1999 during the Millennium celebrations of an individual with al-Qa'ida connections intending to bomb Los Angeles International Airport should have erased any doubts, to the extent they existed, about that point;
- From 1994 through as late as August 2001, the Intelligence Community had received information indicating that international terrorists had seriously considered the use of airplanes as a means of carrying out terrorist attacks. While this method of attack had clearly been discussed in terrorist circles, there was apparently little, if any, effort by Intelligence Community analysts to produce any strategic assessments of terrorists using aircraft as weapons;
- Usama Bin Ladin's role in international terrorism came to the attention of the Intelligence Community in the early 1990s. While Bin Ladin was initially viewed as a "financier" of terrorism, by 1996 the Intelligence Community was aware of his involvement in directing terrorist acts and had begun actively collecting intelligence on him;
- Bin Ladin's own words indicated a steadily escalating threat. In August 1996, Usama Bin Ladin issued a public *fatwa*, or religious decree, authorizing attacks on Western military targets in the Arabian Peninsula. In February 1998; Bin Ladin issued another public *fatwa* authorizing and promoting attacks on U.S. civilians and military personnel anywhere in the world;
- Following the August 1998 bombings of two U.S. Embassies in East Africa, Intelligence Community leadership recognized how dangerous Bin Ladin's network was. In December 1998, DCI George Tenet provided written guidance to his deputies at the CIA, declaring, in effect, "war" with Bin Ladin. DCI Tenet wrote: We must now enter a new phase in our effort against Bin Ladin... We are at war... I want no resources or people spared in this effort, either inside CIA or the Community." In our review to date, we have found that resources dedicated to counterterrorism generally increased during

the 1990s even as overall spending on intelligence declined. While counterterrorism was a resource priority from the time of the DCI's statement onward, it was competing with several other intelligence priorities, such as nonproliferation. Despite the DCI's declaration of war in 1998, there was no massive shift in budget or reassignment of personnel to counterterrorism until after September 11, 2001. For example, the number of CIA personnel assigned to the CTC nearly doubled after the September 11 attacks, from approximately 400 to approximately 800, and was accompanied by additional contractors supporting the CTC. There is no similar shift of resources and personnel to counterterrorism prior to September 11, 2001;

By late 1998, the Intelligence Community had amassed a growing body of information, though general in nature and lacking specific details on time and place, indicating that Bin Ladin and the al-Qa'ida network intended to strike within the United States; and

Concern about Bin Ladin continued to grow over time and reached peak levels in the spring and summer of 2001, as the Intelligence Community faced increasing numbers of reports of imminent al-Qa'ida attacks against U.S. interests. In July and August 2001, that rise in intelligence reporting began to decrease, just as three additional developments occurred in the United States: the Phoenix memo; the detention of Zacarias Moussaoui; and the Intelligence Community's realization that two individuals with ties to Usama Bin Ladin's network – Khalid al-Mihdhar and Nawaf al-Hazmi – were possibly in the United States. The two individuals turned out to be two of the 19 hijackers on September 11, 2001. The Intelligence Community apparently had not connected these individual warning flags to each other, to the “drumbeat” of threat reporting that had just occurred, or to the urgency of the “war” effort against Usama Bin Ladin.

Our review to date provides further context for each of these points.

International Terrorism against U.S. Interests in the 1980s and early 1990s and the Intelligence Community's Response to the Evolving Terrorist Threat

Our nation's experience with international terrorism in the 1980s began with the bombings of the U.S. Embassy in Beirut in April 1983 and the U.S. Marine Barracks in Beirut in October 1983; the terrorist group Islamic Jihad claimed responsibility for both attacks. These were followed by the March 1984 kidnapping and murder of William Buckley, an official from the U.S. Embassy in Beirut. Other U.S. citizens in Lebanon not connected to the U.S. Government were also kidnapped by terrorist groups over the next two years.

In April 1984, the Iranian-backed terrorist group Hezbollah claimed responsibility for the bombing of a restaurant frequented by U.S. service members near Torrejon

Airbase in Spain. In September 1984, the U.S. Embassy annex in Beirut was bombed. 1985 brought a flurry of terrorist activity directed at U.S. citizens and interests, including the June 1985 hijacking of TransWorld Airways Flight 847, the October 1, 1985 hijacking of the cruise ship *Achille Lauro*, and the November 1985 hijacking of an EgyptAir flight from Athens to Malta. In December 1985, the Rome and Vienna airports were attacked by terrorists of the Abu Nidal Organization.

Three of the U.S. Government's responses to the emerging threat are of particular interest to this Inquiry because they represent the foundations of U.S. policy towards international terrorists prior to the September 11 attacks. The responsive actions, recommended by a task force led by then-Vice President George H. W. Bush in a December 1985 report on combating terrorism, included the following:

- | National Security Decision Directive 207, signed on January 20, 1986, by President Ronald Reagan, outlining our nation's policy with respect to international terrorism; it also assigned various counterterrorist functions to U.S. Government departments and agencies;
- | Establishment in February 1986 of the DCI's CTC as the focal point for U.S. Government counterterrorist activities; and
- | A directive signed in the spring of 1986 authorized the CIA to conduct certain counterterrorist activities.

Americans first faced the reality of a major international terrorist attack within the United States on February 26, 1993, when a bomb was detonated in the parking garage of the World Trade Center in New York City. A second alarm sounded on June 24, 1993, when the FBI arrested eight individuals for plotting to bomb a number of New York City landmarks, including the United Nations building and the Lincoln and Holland tunnels. The central figures in these plots were Ramzi Yousef and Shaykh Omar Abd al-Rahman, both of whom have been linked to Usama Bin Ladin and are now serving prison sentences.

In January 1995, the Philippine National Police discovered Ramzi Yousef's bombmaking lab in Manila and arrested an accomplice named Abdul Hakim Murad. Captured materials and interrogations of Murad revealed Yousef's plot to kill the Pope, bomb U.S. and Israeli embassies in Manila, blow up 12 U.S.-owned airliners over the Pacific Ocean, and crash a plane into CIA headquarters. Together, these plans were known collectively as the "Bojinka Plot." Murad was eventually convicted for his role in the plot and is currently incarcerated in the United States.

Interestingly, Murad was charged only for his involvement in the plot to blow up 12 airliners over the Pacific, and not for the other aspects of the Bojinka Plot. The plans to crash a plane into CIA headquarters and to assassinate the Pope were only at the "discussion" stage and therefore not included in his indictment. The FBI's criminal investigative file reflects the focus of the prosecution. The Joint Inquiry Staff located

almost no references to the plan to crash a plane into CIA headquarters in the FBI's investigatory files on the case. The FBI agents interviewed by the Joint Inquiry Staff about the Bojinka Plot confirmed this focus, stating that this case was about the plan to blow up 12 airliners and that the other aspects of the plot were not part of the criminal case and therefore not considered relevant.

The first World Trade Center bombing, the New York City landmarks plot, and the Bojinka Plot are significant, in terms of this inquiry, for several reasons:

- They indicated a growing threat from individuals who ascribed to a radical interpretation of Sunni Islam. Usama Bin Ladin emerged in this same timeframe as a promoter of this ideology;
- These plots involved efforts to inflict mass casualties;
- The incidents confirmed that international terrorists were interested in attacking symbolic targets within the United States, including the World Trade Center;
- They provided a data point on a terrorist group discussing a plan to use an aircraft as a weapon.

All of this historical information was in the possession of the Intelligence Community and other parts of the U.S. Government years before September 11, 2001.

Usama Bin Ladin's War on the United States

Usama Bin Ladin's connection to international terrorism first came to the attention of the Intelligence Community in the early 1990s. He had founded the al-Qa'ida organization sometime in 1989 and moved to Sudan sometime in 1991 or 1992. During his time in Sudan, he was building a network of international Islamic extremists and allying with other Sunni terrorist groups. In 1996, Bin Ladin moved back to Afghanistan, where he was treated as an honored guest of the Taliban, then the dominant political and military group in Afghanistan.

Bin Ladin drew on a broader network of Islamic radicals fighting in the Balkans, Chechnya, and Kashmir conflicts in an attempt – in their eyes -to defend Islam against its persecutors. Individuals from Saudi Arabia, Egypt, Pakistan, and many other countries took up arms to aid their co-religionists, while Muslims from around the world contributed money. Although the specific actions of al-Qa'ida often did not enjoy widespread support, the causes it championed were often viewed as legitimate, indeed laudable, in much of the Muslim world.

In August 1996, after his move back to Afghanistan, Usama Bin Ladin issued a public *fatwa*, or religious decree, authorizing attacks by his followers against Western military targets on the Arabian Peninsula. In February 1998, Usama Bin Ladin and four other extremists publicly issued another public *fatwa* expanding the 1996 *fatwa* to include

U.S. military and civilian targets anywhere in the world. In a May 1998 press conference, Bin Ladin publicly discussed “bringing the war home to America.”

On August 7, 1998, two truck bombs destroyed the U.S. Embassies in Nairobi, Kenya and Dar Es Salaam, Tanzania. The Intelligence Community confirmed very quickly that these attacks had been carried out by Bin Ladin’s terrorist network. The attacks showed that Bin Ladin’s network was capable of carrying out very bloody, simultaneous attacks and inflicting mass casualties.

Our review has confirmed that initially, the Intelligence Community focused on Bin Ladin as a financier of terrorist activities. In 1996, as Bin Ladin’s direct involvement in planning and directing terrorist acts became more evident, the DCI’s CTC created a special unit to focus specifically on him. Approximately 10-15 individuals were assigned to that unit at that time. Since that realization in 1996, the Community has been actively engaged with mixed success – in operations to collect intelligence on Usama Bin Ladin and disrupt this network. On September 10, 2001, there were approximately 35-40 personnel assigned to the CTC’s special Bin Ladin unit. Recognizing the danger posed by Bin Ladin, the FBI created its own unit in 1999 at FBI headquarters to focus on him. Approximately 17-19 individuals were working in that FBI unit on September 10, 2001.

Our Inquiry has raised questions about the adequacy of these resources with respect to the magnitude of the threat, especially in light of the massive shift in resources and personnel to counterterrorism that occurred immediately following the September 11 attacks. Individuals in both the CIA and FBI units interviewed by the Joint Inquiry Staff reported being seriously overwhelmed by the volume of information and workload prior to September 11, 2001. We are continuing to examine such issues as the roles of these units in the counterterrorist effort, the numbers of personnel and levels of resources allocated to these units, and the extent of cooperation and coordination between them.

Compounding the resource problems, the staff has been told by numerous individuals that al-Qa’ida proved an exceptionally difficult target for U.S. intelligence. Details of major terrorist plots were not widely shared in the al-Qa’ida organization, making it hard to develop the necessary intelligence to preempt or disrupt an attack. In addition, senior al-Qa’ida officials were very sensitive to the need for operational security. They relied on personal meetings and said in media interviews that they spoke in code to avoid revealing details of operations. Many al-Qa’ida members also enjoyed the benefits of sanctuary in Afghanistan, allowing them to plan and prepare in relative freedom. Finally, we were told that senior members of al-Qa’ida were skilled and purposeful: they learned from their mistakes, and they were flexible in their organization and plans.

Nonetheless, particularly since the bombings in East Africa, the Intelligence Community did amass a body of information detailing Usama Bin Ladin’s ties to terrorist activities against U.S. interests around the world, including Europe, Africa, the Persian Gulf region, and Asia. Armed with that information, prior to September 11, 2001, U.S. Government counterterrorist efforts, had focused to a substantial degree, on Bin Ladin

and his network. In February 2000, for example, DCI Tenet testified that the Intelligence Community had “helped render more than two dozen terrorists to justice,” half of whom were associated with Usama Bin Ladin. Along with those successes, there were also failures and frustrations. For example, there were the Community’s unsuccessful efforts against a key al-Qa’ida leader involved in the September 11 attacks, whose identity the DCI has declined to declassify. By late 2000 and into 2001, the Intelligence Community was engaged with foreign intelligence and law enforcement partners in an extensive, shadowy struggle against al-Qa’ida. Despite such efforts, Bin Ladin carried out successful and devastating attacks against Americans and citizens of other nations, including the bombing of *USS Cole* in Yemen in October 2000.

Bin Ladin’s war on the United States and the Intelligence Community’s response were the prelude to the September 11 attacks.

Intelligence Reporting on Bin Ladin’s Intentions to Strike Inside the United States

Central to the September 11 plot was Usama Bin Ladin’s idea of carrying out a terrorist operation inside the United States. It has been suggested, both in published reports and in interviews, that prior to September 11, 2001, information available to the Intelligence Community had, for the most part, pointed to a terrorist threat against U.S. interests abroad: The Joint Inquiry Staff therefore requested and reviewed reports the Intelligence Community had prior to September 11, 2001 suggesting that an attack within the United States was a possibility. Our review confirmed that, shortly after Usama Bin Ladin’s May 1998 press conference, the Intelligence Community began to acquire intelligence information indicating that Bin Ladin’s network intended to strike inside the United States. Many of these reports were disseminated throughout the Intelligence Community and to senior U.S. policy-makers.

These intelligence reports should be understood in their proper context. First, they generally did not contain specific information as to where, when, and how a terrorist attack might occur and, generally, are not corroborated by further information. Second, these reports represented a small percentage of the threat information that the Intelligence Community obtained during this period, most of which pointed to the possibility of attacks against U.S. interests overseas. Nonetheless, there was a modest, but relatively steady, stream of intelligence information indicating the possibility of terrorist attacks inside the United States. Third, the credibility of the sources providing this information was sometimes questionable. While one could not, as a result, give too much credence to some individual reports, the totality of the information in this body of reporting clearly reiterated a consistent and critically important theme: Usama Bin Ladin’s intent to launch terrorist attacks inside the United States.

Several of these reports are summarized below:

- 1 In June 1998, the Intelligence Community obtained information from several sources that Usama Bin Ladin was considering attacks in the U.S., including Washington, DC and New York. This information was provided to senior U.S. Government officials in July 1998;
- 1 In August 1998, the Intelligence Community obtained information that a group of unidentified Arabs planned to fly an explosive-laden plane from a foreign country into the World Trade Center. The information was passed to the FBI and the FAA. The FAA found the plot highly unlikely given the state of that foreign country's aviation program. Moreover, they believed that a flight originating outside the United States would be detected before it reached its intended target inside the United States. The FBI's New York office took no action on the information, filing the communication in the office's bombing repository file. The Intelligence Community has acquired additional information since then indicating there may be links between this group and other terrorist groups, including al-Qa'ida;
- 1 In September 1998, the Intelligence Community prepared a memorandum detailing al-Qa'ida infrastructure in the United States, including the use of fronts for terrorist activities. This information was provided to senior U.S. Government officials in September 1998;
- 1 In September 1998, the Intelligence Community obtained information that Usama Bin Ladin's next operation could possibly involve flying an aircraft loaded with explosives into a U.S. airport and detonating it; this information was provided to senior U.S. Government officials in late 1998;
- 1 In October 1998, the Intelligence Community obtained information that al-Qa'ida was trying to establish an operative cell within the United States. This information indicated there might be an effort underway to recruit U.S. citizen Islamists and U.S.-based expatriates from the Middle East and North Africa;
- 1 In the fall of 1998, the Intelligence Community received information concerning a Bin Ladin plot involving aircraft in the New York and Washington, DC areas;
- 1 In November 1998, the Intelligence Community obtained information that a Bin Ladin terrorist cell was attempting to recruit a group of five to seven young men from the United States to travel to the Middle East for training. This was in conjunction with planning to strike U.S. domestic targets;
- 1 In November 1998, the Intelligence Community received information that Bin Ladin and senior associates had agreed to allocate reward money for the assassinations of four "top" intelligence agency officers. The bounty for each assassination was \$9 million. The bounty was in response to the U.S.

announcement of an increase in the reward money for information leading to the arrest of Bin Ladin;

- In the spring of 1999, the Intelligence Community obtained information about a planned Bin Ladin attack on a U.S. Government facility in Washington, DC;
- In August 1999, the Intelligence Community obtained information that Usama Bin Ladin's organization had decided to target the U.S. Secretary of State, Secretary of Defense, and DCI. "Target" was interpreted by Intelligence Community analysts to mean "assassinate";
- In September 1999, the Intelligence Community obtained information that Usama Bin Ladin and others were planning a terrorist act in the United States, possibly against specific landmarks in California and New York City. The reliability of the source of this information was **unknown**;
- In late 1999, the Intelligence Community obtained information regarding the Bin Ladin network's possible plans to attack targets in Washington, DC and New York City during the New Year's Millennium celebrations;
- On December 14, 1999, an individual named Ahmed Ressam was arrested as he attempted to enter the United States from Canada. An alert U.S. Customs Service officer in Port Washington stopped Ressam and asked to search his vehicle. Chemicals and detonator materials were found in his car. Ressam's intended target was Los Angeles International Airport. Ressam, who was later determined to have links to Usama Bin Ladin's terrorist network, has not been formally sentenced yet;
- In February 2000, the Intelligence Community obtained information that Usama Bin Ladin was making plans to assassinate U.S. intelligence officials, including the Director of the FBI;
- In March 2000, the Intelligence Community obtained information regarding the types of targets that operatives in Bin Ladin's network might strike. The Statue of Liberty was specifically mentioned; as were skyscrapers, ports, airports, and nuclear power plants;
- In March 2000, the Intelligence Community obtained information indicating Bin Ladin was planning attacks in specific West Coast areas, possibly involving the assassination of several public officials. The Intelligence Community had concerns that this information might have come from a source known to fabricate information; and
- In April 2001, the Intelligence Community obtained information from a source with terrorist connections who speculated that Bin Ladin would be interested in commercial pilots as potential terrorists. The source warned that

the United States should not focus only on embassy bombings, that terrorists sought “spectacular and traumatic” attacks, and that the first World Trade Center bombing would be the type of attack that would be appealing. The source did not mention a timeframe for any attack. Because the source was offering personal speculation and not hard information the information was not disseminated within the Intelligence Community.

To date, in the course of reviewing intelligence products on Bin Ladin’s terrorist network, the Joint Inquiry Staff has not found any similar comprehensive listing of Bin Ladin-related threats to the United States produced by the Intelligence Community prior to September 11, 2001. We are still researching this issue.

Usama Bin Ladin’s declaration of war in February 1998 and intelligence reports indicating possible terrorist plots inside the United States did not go unnoticed by the Intelligence Community, which, in turn, advised senior officials in the U.S. Government of the serious nature of the threat. Many individuals in the National Security Council staff and at the DCI’s CTC interviewed by the Joint Inquiry Staff in the course of this Inquiry pointed to the August 1998 bombings of the U.S. Embassies in Africa as the moment in time when they recognized that Bin Ladin was waging war on the United States.

The Joint Inquiry Staff has also reviewed documents, other than individual intelligence reports, that demonstrate that, at least at senior levels, the Intelligence Community understood that Bin Ladin posed a serious threat to the domestic United States. Here are five examples of what we have found in our Inquiry thus far:

- 1 A December 1, 1998 Intelligence Community assessment of Usama Bin Ladin read in part: “UBL is actively planning against U.S. targets.. Multiple reports indicate UBL is keenly interested in striking the U.S. on its own soil.. al-Qa’ida is recruiting operatives for attacks in the U.S. but has not yet identified potential targets”;
- 1 On December 4, 1998, in a memorandum to his deputies at the CIA, the DCI summed up the situation in this way: “We must now enter a new phase in our effort against Bin Ladin. Our work to date has been remarkable and in some instances heroic; yet each day we all acknowledge that retaliation is inevitable and that its scope may be far larger than we have previously experienced.. We are at war.. I want no resources or people spared in this effort, either inside CIA or the [Intelligence] Community”;
- 1 A classified document signed by a senior U.S. Government official in December 1998 read in part: “The intelligence community has strong indications that Bin Ladin intends to conduct or sponsor attacks inside the United States”;

- 1 In June 1999 testimony before the Senate Select Committee on Intelligence and in a July 1999 briefing to House Permanent Select Committee on Intelligence staffers, the chief of the CTC described reports that Bin Ladin and his associates were planning attacks in the United States; and
- . A classified document signed by a senior U.S. Government official in July 1999 characterized Bin Ladin's February 1998 statement as a "de facto declaration of war" on the United States.

What is less clear is the extent to which other parts of the government, as well as the American people, understood and fully appreciated the gravity and immediacy of the threat. For example, officials at the NSA whom we have interviewed were aware of DCI Tenet's December 1998 declaration that the Intelligence Community was "at war" with Bin Ladin. On the other hand, relatively few of the FBI agents interviewed by the Joint Inquiry Staff seem to have been aware of DCI Tenet's declaration. There was also considerable variation in the degree to which FBI-led Joint Terrorism Task Forces (JTTFs) prioritized and coordinated field efforts targeting Bin Ladin and al-Qa'ida. While the FBI's New York office was the lead office in the vast majority of counterterrorism investigations concerning Usama Bin Ladin, many other FBI offices around the country were unaware of the magnitude of the threat.

There are also indications that the allocation of Intelligence Community resources after the DCI's December 1998 declaration did not adequately reflect a true "war" effort against Bin Ladin. In 1999, for example, the CTC had only three analysts assigned full-time to Bin Ladin's terrorist network worldwide. After 2000 (but before September 11, 2001), that number had risen to five. On September 11, 2001, the international terrorism analytic unit at FBI headquarters had in place only one analyst to address al-Qa'ida.

On a broader scale, our review has found little evidence, prior to September 11, of a sustained national effort to mobilize public awareness and to "harden" the homeland against a potential assault by Bin Ladin within the United States with the possible exception of heightened focus on weapons of mass destruction. Consistent with his internal statements, DCI Tenet did stress, in some of his public speeches, the "immediacy and seriousness" of the threat from Bin Ladin. We have also found the following Presidential statements referring directly or, more commonly, indirectly to the issue of war against Bin Ladin specifically or terrorism generally:

- On August 20, 1998, in his address to the nation on military action against terrorist sites in Afghanistan and Sudan, President Clinton said: "A few months ago, and again this week, Bin Ladin publicly vowed to wage a terrorist war against America."
- On August 22, 1998, in his radio address to the nation, President Clinton said: "Our efforts against terrorism cannot and will not end with this strike. We should have realistic expectations about what a single action can achieve, and we must be prepared for a long battle."

- On January 19, 1999, in his State of the Union speech to Congress, President Clinton said “As we work for peace, we must also meet threats to our Nation’s security, including increased dangers from outlaw nations and terrorism. We will defend our security wherever we are threatened, as we did this summer when we struck at Usama Bin Ladin’s network of terror. The bombing of our Embassies in Kenya and Tanzania reminds us again of the risks faced every day by those who represent America to the world.”
- On July 6, 1999, in a Presidential statement on the national emergency with respect to the Taliban, President Clinton said “To this day, Bin Ladin and his network continue to plan new attacks against Americans, without regard for the innocence of their intended victims or for those non-Americans who might get in the way of his attack.”
- On October 18, 2000, in a ship-side ceremony commemorating the 17 service members killed in the terrorist attack on *USS Cole*, President Clinton said: “Their tragic loss reminds us that even when America is not at war, the men and women of our military still risk their lives for peace. . . To those who attacked them, we say: you will not find safe harbor. We will find you, and justice will prevail.”
- On March 20, 2001, in remarks to CIA employees (and subsequently made available to the public on the White House website), President Bush said: “Today, that single threat [the Soviet Union, its ideology, and its allies] has been replaced by new and different threats, sometimes hard to define and defend against; threats such as terrorism, information warfare, the spread of weapons of mass destruction and the means to deliver them.”
- On May 1, 2001, in remarks to students and faculty at National Defense University, Ft., McNair, Washington, DC, President Bush said “We must work together with other like-minded nations to deny weapons of terror from those seeking to acquire them.”
- On May 8, 2001, in a statement on domestic preparedness against weapons of mass destruction, President Bush said “Some non-state terrorist groups have also demonstrated an interest in acquiring weapons of mass destruction.”
- On August 29, 2001, in remarks at the American Legion’s 83rd Annual Convention, President Bush said: “We recognize it’s a dangerous world. I know this nation still has enemies, and we cannot expect them to be idle. And that’s why security is my first responsibility. And I will not permit any course that leaves America undefended.”

Strategic Warning: Indications of a Possible Terrorist Attack in the Spring and Summer 2001

In the last few months, the media has reported that the Intelligence Community had information in the spring and summer of 2001 that might have been relevant to the September 11 attacks, including: information about some of the hijackers, the so-called Phoenix memo, and the FBI's investigation of Zacarias Moussaoui. The Joint Inquiry Staff has examined those issues in depth and will be reporting in greater detail, during the course of this inquiry, on that aspect of our work.

Our focus in this section, however, is on what we have found regarding the level and nature of threat information that was obtained by the Intelligence Community during the spring and summer of 2001. Our review has confirmed that, at least in the eyes of the Intelligence Community, the world did appear increasingly dangerous for Americans in the spring and summer of 2001. During that time period the Intelligence Community experienced a significant rise in information indicating that Bin Ladin and al-Qa'ida intended to strike against United States interests in the very near future. Some individuals within the Intelligence Community have suggested that the increase in threat reporting was unprecedented, at least in terms of their own experience. While the reporting repeatedly predicted dire consequences for Americans, it did not provide actionable detail on when, where and how specific attacks would occur.

Between late March and September 2001, the Intelligence Community detected numerous indicators of an impending terrorist attack, some of which pointed specifically to the United States as a possible target:

- | In March 2001, an intelligence source claimed a group of Bin Ladin operatives were planning to conduct an unspecified attack in the United States in April 2001. One of the operatives allegedly resided in the United States;
- | In April 2001, the Intelligence Community obtained information that unspecified terrorist operatives in California and New York State were planning a terrorist attack in those states for April;
- | Between May and July, the National Security Agency reported at least 33 communications indicating a possible, imminent terrorist attack. None of these reports provided any specific information on where, when, or how an attack might occur, nor was it clear that any of the individuals involved in these intercepted communications had any first-hand knowledge of where, when, or how an attack might occur. If they did know, it was not evident in the intercepts. These reports were widely disseminated within the Intelligence Community;
- | In May 2001, the Intelligence Community obtained information that supporters of Usama Bin Ladin were reportedly planning to infiltrate the United States via Canada in order to carry out a terrorist operation using high

explosives. This report mentioned an attack within the United States, though it did not say where in the U.S., or when, or how an attack might occur. In July 2001, this information was shared with the FBI, the Immigration and Naturalization Service (INS), U.S. Customs Service, and the State Department and was included in a closely held intelligence report for senior government officials in August 2001;

- | In May 2001, the Department of Defense acquired and shared with other elements of the Intelligence Community information indicating that seven individuals associated with Usama Bin Ladin departed various locations for Canada, the United Kingdom, and the United States;
- | In June 2001, the DCI's CTC had information that key operatives in Usama Bin Ladin's organization were disappearing while others were preparing for martyrdom;
- | In July 2001, the DCI's CTC was aware of an individual who had recently been in Afghanistan who had reported, "Everyone is talking about an impending attack." The Intelligence Community was also aware that Bin Ladin had stepped up his propaganda efforts in the preceding months;
- | On August 16, 2001, in Minneapolis, Minnesota, the INS detained Zacarias Moussaoui. Prior to that date, in August 2001, Mr. Moussaoui's conduct had aroused suspicions about why he was learning to fly large commercial aircraft and had prompted the flight school he was attending in Minneapolis to contact the local FBI field office. FBI agents believed that Moussaoui may have been intending to carry out a terrorist act, but there was internal debate as to whether there was sufficient information to show that he was acting as an agent of a foreign power, which was necessary to obtain a search warrant under the Foreign Intelligence Surveillance Act. On September 4, 2001, the FBI sent a cable about the Moussaoui investigation to the Intelligence Community, including the Federal Aviation Administration (FAA), the Secret Service, and several other agencies. (By this time, the DCI's CTC was already collaborating with the FBI on the Moussaoui investigation, as described further below.) The teletype noted that Moussaoui was being held in custody but did not describe any particular threat that the FBI thought he posed. The teletype also did not recommend that the addressees take any action or look for any additional indicators of a terrorist attack. The events surrounding Mr. Moussaoui's detention will be discussed in greater detail in a future statement;
- | On August 23, 2001, the Intelligence Community requested that two individuals, Khalid al-Mihdhar and Nawaf al-Hazmi, who had first come to the attention of the Intelligence Community in 1999 as possible associates of Usama Bin Ladin's terrorist network, be added to the U.S. Department of State's watchlist for denying visas to individuals attempting to enter the

United States. Working levels of INS and U.S. Customs Service had determined that at least one of them was likely in the United States, prompting FBI headquarters to request searches for them in both New York and Los Angeles. The FBI's New York field office unsuccessfully searched for al-Mihdhar and al-Hazmi. The FBI's Los Angeles field office received the search request on September 11, 2001. On September 11, 2001, these two individuals were part of the team that hijacked United Airlines Flight 77 and crashed it into the Pentagon. We will examine in greater detail all of the Intelligence Community's actions regarding al-Midhar and al-Hazmi in a later statement;

- | In late summer 2001, the Intelligence Community obtained information that an individual associated with al-Qa'ida was considering mounting terrorist operations in the United States. There was no information available as to the timing of possible attacks or on the alleged targets in the United States; and
- . On September 10, 2001, NSA intercepted two communications between individuals abroad suggesting imminent terrorist activity. These communications were not translated into English and disseminated until September 12, 2001. These intercepts did not provide any indication of where, when, or what activities might occur. Taken in their entirety, it is unclear whether they were referring to the September 11 attacks.

Despite these indicators of a possible terrorist attack inside the United States, during the course of interviews, the Joint Inquiry Staff was told that it was the general view of the U.S. Intelligence Community in the spring and summer of 2001 that an attack on U.S. interests was more likely to occur overseas. Individuals in the Intelligence Community interviewed by the Joint Inquiry Staff about this issue mentioned Saudi Arabia and Israel as possible targets. They pointed to intelligence information, the arrests of suspected terrorists in the Middle East and Europe, and a credible report of a plan to attack a U.S. Embassy in the Middle East as factors in the spring and summer of 2001 that shaped their thinking about where an attack was likely to occur. In fact, the FBI agents working in Yemen on the *USS Cole* investigation were told to leave the country because of concern about a possible attack there. One FBI official we deposed said that, based on the intelligence he was seeing, he thought there was a high probability – “98 percent” – that the attack would occur overseas.

During the summer of 2001, the Intelligence Community was also disseminating information through appropriate channels to senior U.S. Government officials about possible terrorist attacks. For example:

- | In June 2001, the Intelligence Community issued a terrorist threat advisory warning U.S. Government agencies that there was a high probability of an imminent terrorist attack against U.S. interests by Sunni extremists associated with Usama Bin Ladin's al-Qa'ida organization. The advisory mentioned the Arabian Peninsula, Israel, and Italy as possible locations where an attack

might occur. According to the advisory, the Intelligence Community continued to believe that “Sunni extremists associated with al-Qa’ida are most likely to attempt spectacular attacks resulting in numerous casualties”;

- | Subsequently, intelligence information provided to senior U.S. Government leaders indicated that Usama Bin Ladin’s organization expected near-term attacks to have dramatic consequences on governments or cause major casualties;
- | A briefing prepared for senior government officials at the beginning of July 2001 contained the following language: “Based on a review of all-source reporting over the last five months, we believe that UBL will launch a significant terrorist attack against U.S. and/or Israeli interests in the coming weeks. The attack will be spectacular and designed to inflict mass casualties against U.S. facilities or interests. Attack preparations have been made. Attack will occur with little or no warning”;
- | Later, intelligence information provided to senior government leaders indicated that Usama Bin Ladin’s organization continued to expect imminent attacks on U.S. interests;
- | The Joint Inquiry Staff has been advised by a representative of the Intelligence Community that, about a month later, in August 2001, a closely held intelligence report for senior government officials included information that Usama Bin Ladin had wanted to conduct attacks in the United States since 1997. The information included discussion of the arrest of Ahmed Ressam in December 1999 at the U.S.-Canadian border and the 1998 bombings of the U.S. embassies in Kenya and Tanzania. It mentioned that members of al-Qa’ida, including some U.S. citizens, had resided in or traveled to the United States for years and that the group apparently maintained a support structure here. The report cited uncorroborated information obtained in 1998 (and previously disseminated) that Usama Bin Ladin wanted to hijack airplanes to gain the release of U.S.-held extremists; FBI judgments about patterns of activity consistent with preparations for hijackings or other types of attacks and the number of Bin Ladin-related investigations underway; as well as information acquired in May 2001 that indicated a group of Bin Ladin supporters was planning attacks in the United States with explosives;
- | In August 2001, based on information it had in its possession at the time, the CIA sent a message to the FAA asking the FAA to advise corporate security directors of U.S. air carriers of the following information: “A group of six Pakistanis currently based in La Paz, Bolivia may be planning to conduct a hijacking, or possibly a bombing or an act of sabotage against a commercial airliner. While we have no details of the carrier, the date, or the location of this or these possibly planned action(s), we have learned the group has had discussions in which Canada, England, Malaysia, Cuba, South Africa,

Mexico, Atlanta, New York, Madrid, Moscow, and Dubai have come up, and India and Islamabad have been described as possible travel destinations.” While this information was not related to an attack planned by al-Qa’ida, it did alert the aviation community to the possibility that a hijacking plot might occur in the U.S. shortly before the September 11 attacks occurred.

The Joint Inquiry Staff has also reviewed the Senior Executive Intelligence Briefs (SEIBs) distributed by the Intelligence Community in the spring and summer of 2001. A SEIB is a written intelligence briefmg provided by the Intelligence Community to senior U.S. Government executives on a daily basis. Each SEIB consists of a series of short articles summarizing political, military, economic, and diplomatic developments around the world of particular interest to the U.S. Government officials. (A SEIB is not the same as the President’s Daily Brief, though it often contains similar information. The President’s Daily Brief is a more exclusive intelligence summary provided to the President and a small number of his most senior advisors while the SEIB is more broadly distributed.) Our review of the SEIBs from the spring and summer of 2001 confirms the rise in reporting on Bin Ladin between March and June 2001. That review, however, also demonstrates that, while reporting on Bin Ladin was rising, it was still a relatively small portion of the universe of items brought to the attention of policymakers through SEIB reports at the time. For example, the peak in Bin Ladin-related reporting came in June 2001, with Islamic extremists, including Bin Ladin or al-Qa’ida, referenced in 18 of the 298 articles in the SEIBs of that month.

The rise in threat reporting on Bin Ladin, though lacking details on when, where, and how specific attacks would occur, did generate various other government-issued terrorist advisories and warnings. These included:

- | An FAA Circular on June 22, 2001, referring to fourteen individuals incarcerated in the U.S. in connection with the 1996 bombing of Khobar Towers and a possible hijacking plot by Islamic terrorists to secure the release of these individuals;
- | A public, worldwide caution issued by the State Department on June 22, 2001, warning Americans traveling abroad of the increased risk of a terrorist action;
- | Four terrorism warning reports or warning report extensions issued by the Department of Defense on June 22, June 26, July 6, and July 20, 2001, primarily to alert U.S. military forces and agencies and organizations within the Department of Defense to indications that Usama Bin Ladin’s network was planning a near-term, anti-U.S. terrorist operation;
- | A State Department demarche to Taliban representatives in Pakistan, on June 26, 2001;
- | A communication from the FBI on July 2, 2001 advising federal, state, and local law enforcement agencies of an increased volume of threat reporting

emanating from groups aligned with or sympathetic to Usama Bin Ladin, the majority of which indicated a potential for attacks against U.S. targets abroad. The communication noted that the FBI had no information indicating a credible threat of a terrorist attack in the United States; but that the possibility of an attack in the United States could not be discounted.

Bin Ladin-related threat reporting began to decline in July 2001. Our review has confirmed that the Intelligence Community did, however, continue to follow up on some of the information in its possession at the time. For example:

- 1 In August 2001, the DCI's CTC was issuing requests to the State Department, INS, and U.S. Customs Service at a rate significantly higher than previous months that the names of specific, suspected terrorists be added to these agencies' respective watchlists and that these individuals be denied entry into the United States;
- 1 On August 24, 2001, the DCI's CTC had sent a message to several stations and bases overseas requesting information concerning Zacarias Moussaoui, who was being detained for immigration violations. The message said that the FBI was investigating Moussaoui for possible involvement in the planning of a terrorist attack and mentioned Moussaoui's efforts to obtain flight training. The message also said that Moussaoui might be "involved in a larger plot to target airlines traveling from Europe to the United States." At that time, CTC personnel apparently did not connect the Moussaoui case to the search that had been initiated for al-Mihdhar and al-Hazmi (described above), at least one of whom CTC had concluded, the day before, was likely in the United States; and
- 1 On September 4, 2001, the FBI sent a lengthy teletype to the FAA and key components of the Intelligence Community setting forth facts about Moussaoui. The teletype noted that Moussaoui was being held in custody but did not describe any particular threat that the FBI thought he posed. The teletype also did not recommend that the addressees take any action or look for any additional indicators of a terrorist attack.

The so-called "Phoenix memo," actually an electronic communication, from the FBI's field office in Phoenix to a unit within FBI headquarters in Washington is also of interest because it was dated July 10, 2001 and received at FBI headquarters later that month, during the same timeframe in which the Intelligence Community was detecting indications of an impending terrorist attack, some relating to airliners. The communication stands apart from the documents above, however, in that it did not contain information indicating an impending terrorist attack. Instead, it proposed that the FBI open investigations into named individuals of Middle Eastern nationalities who were attending flight colleges and universities in the U.S. because of their possible linkages to terrorist organizations overseas: In our view, the document is significant because an FBI agent on the ground in Phoenix had seen a pattern and laid out the prescient idea that

foreign terrorists may use facilities and other resources inside the United States for training and preparation of attacks. We will report in greater detail on our review of the Phoenix memo in a future statement.

Intelligence Information on Possible Terrorist Use of Airplanes as Weapons

Central to the September 11 attacks was the terrorists' use of airplanes as weapons. In the aftermath of the terrorist attacks, there was much discussion about the extent to which our Government was, or could have been, aware of the threat of terrorist attacks of this type and the extent to which adequate precautions were taken to address that threat. We therefore asked the question: Did the Intelligence Community have any information in its possession prior to September 11, 2001 indicating that terrorists were contemplating using airplanes as weapons?

Based on our review to date of the requested information, we believe that the Intelligence Community was aware of the potential for this type of terrorist attack, but did not produce any specific assessments of the likelihood that terrorists would use airplanes as weapons.

Our review has uncovered several examples of intelligence reporting on the possible use of airplanes as weapons in terrorist operations. As with the intelligence reports indicating Bin Ladin's intentions to strike inside the United States, the credibility of the sources is sometimes questionable, and the information is often sketchy. Nevertheless, we did find reporting on this kind of potential threat, including the following:

- In December 1994, Algerian Armed Islamic Group terrorists hijacked an Air France flight in Algiers and threatened to crash it into the Eiffel Tower. French authorities deceived the terrorists into thinking the plane did not have enough fuel to reach Paris and diverted it to Marseilles. A French anti-terrorist force stormed the plane and killed all four terrorists;
- In January 1995, a Philippine National Police raid turned up materials in a Manila apartment indicating that three individuals – Ramzi Yousef, Abdul Murad and Khalid Shaykh Mohammad – planned, among other things, to crash an airplane into CIA headquarters. The Philippine National Police said that the same group was responsible for the bombing of a Philippine airliner on December 12, 1994. Information on the threat was passed to the FAA, which briefed U.S. and major foreign carriers;
- In January 1996, the Intelligence Community obtained information concerning a planned suicide attack by individuals associated with Shaykh Omar Adb al-Rahman and a key al-Qa'ida operative. The plan was to fly to the United States from Afghanistan and attack the White House;

- In October 1996, the Intelligence Community obtained information regarding an Iranian plot to hijack a Japanese plane over Israel and crash it into Tel Aviv. An individual would board the plane in the Far East. During the flight, he would commandeer the aircraft, order it to fly over Tel Aviv, and then crash the plane into the city;
- In 1997, one of the units at FBI headquarters became concerned about the possibility of a terrorist group using an unmanned aerial vehicle (UAV) for terrorist attacks. The FBI and CIA became aware of reporting that this group had purchased a UAV. At the time, the agencies' view was that the only reason that this group would need a UAV would be for either reconnaissance or attack. There was more concern about the possibility of an attack outside the United States, for example, by flying a UAV into a U.S. Embassy or a visiting U.S. delegation;
- In August 1998, the Intelligence Community obtained information that a group of unidentified Arabs planned to fly an explosive-laden plane from a foreign country into the World Trade Center. The information was passed to the FBI and the FAA. The FAA found the plot highly unlikely given the state of that foreign country's aviation program. Moreover, they believed that a flight originating outside the United States would be detected before it reached its intended target inside the United States. The FBI's New York office took no action on the information, filing the communication in the office's bombing repository file. The Intelligence Community has acquired additional information since then indicating there may be links between this group and other terrorist groups, including al-Qa'ida;
- In September 1998, the Intelligence Community obtained information that Usama Bin Ladin's next operation could possibly involve flying an aircraft loaded with explosives into a U.S. airport and detonating it; this information was provided to senior U.S. Government officials in late 1998;
- In November 1998, the Intelligence Community obtained information that the Turkish Kaplancilar, an Islamic extremist group, had planned a suicide attack to coincide with celebrations marking the death of Ataturk. The conspirators, who were arrested, planned to crash an airplane packed with explosives into Ataturk's tomb during a government ceremony. The Turkish press said the group had cooperated with Usama Bin Ladin. The FBI's New York office included this incident in one of its Usama Bin Ladin databases;
- In February 1999, the Intelligence Community obtained information that Iraq had formed a suicide pilot unit that it planned to use against British and U.S. forces in the Persian Gulf. The CIA commented that this was highly unlikely and probably disinformation;

- In March 1999, the Intelligence Community obtained information regarding plans by an al-Qa'ida member, who was a U.S. citizen, to fly a hang glider into the Egyptian Presidential Palace and then detonate the explosives he was carrying. The individual, who received hang glider training in the United States, brought a hang glider back to Afghanistan. However, various problems arose during the testing of the glider. He was subsequently arrested and is in custody abroad;
- In April 2000, the Intelligence Community obtained information regarding an alleged Bin Ladin plot to hijack a 747. The source, who was a "walk-in" to the FBI's Newark office, claimed that he had been to a training camp in Pakistan where he learned hijacking techniques and received arms training. He also stated that he was supposed to meet five to six other individuals in the United States who would also participate in the plot. They were instructed to use all necessary force to take over the plane because there would be pilots among the hijacking team. The plan was to fly the plane to Afghanistan, and if they would not make it there, that they were to blow up the plane. Although the individual passed an FBI polygraph, the FBI was never able to verify any aspect of his story or identify his contacts in the United States; and
- In August 2001, the Intelligence Community obtained information regarding a plot to either bomb the U.S. Embassy in Nairobi from an airplane or crash an airplane into it. The Intelligence Community learned that two people who were reportedly acting on instructions from Usama Bin Ladin met in October 2000 to discuss this plot.

The CIA disseminated several of these reports to the FBI and to agencies that would be responsible for taking preventive actions, including the FAA. The FAA has staff assigned to the DCI's CTC, the FBI's Counterterrorism Division, and to the State Department's Diplomatic Security Service to gather relevant intelligence for domestic use. The FAA is responsible for issuing information circulars, security directives and emergency amendments to the directives alerting domestic and international airports and airlines of threats identified by the Intelligence Community.

Despite these reports,, the Intelligence Community did not produce any specific assessments of the likelihood that terrorists would use airplanes as weapons. Again, this may have been driven in part by resource issues in the area of intelligence analysis. Prior to September 11, 2001, the CTC had forty analysts to analyze terrorism issues worldwide, with only one of the five branches focused on terrorist tactics. As a result, prior to September 11, 2001, the only terrorist tactic on which the CTC performed strategic analysis was the possible use of chemical, biological, radiological and nuclear weapons (CBRN) because there was more obvious potential for mass casualties.

At the FBI, our review found that, prior to September 11, 2001, support for ongoing investigations and operations was favored, in terms of allocating resources, over long-term, strategic analysis. We were told, during the course of our FBI interviews, that

prevention occurs in the operational units, not through strategic analysis, and that, prior to September 11, the FBI had insufficient resources to do both. We were also told that the FBI's al-Qa'ida-related analytic expertise had been "gutted" by transfers to operational units and that, as a result, the FBI's analytic unit had only one individual working on al-Qa'ida at the time of the September 11 attacks.

While focused strategic analysis was lacking, the subject of aviation-related terrorism was included in some broader terrorist threat assessments, such as the National Intelligence Estimates (NIE) on terrorism. For example, the 1995 NIE on terrorism mentioned a plot to down 12 U.S.-owned airliners. The NIE also cited the consideration the Bojinka conspirators gave to attacking CIA headquarters using an aircraft loaded with explosives. The FAA worked with the Intelligence Community on this analysis and actually drafted the section of the NIE addressing the threat to civil aviation. That section contained the following language:

"Our review of the evidence.. suggests the conspirators were guided in their selection of the method and venue of attack by carefully studying security procedures in place in the region. If terrorists operating in this country [the United States] are similarly methodical, they will identify serious vulnerabilities in the security system for domestic flights."

The 1997 update to the 1995 NIE on terrorism included the following language:

"Civil aviation remains a particularly attractive target in light of the fear and publicity the downing of an airliner would evoke and the revelations last summer of the US air transport sectors' vulnerabilities."

As a result of the increasing threats to aviation, Congress passed Section 310 of the Federal Aviation Reauthorization Act of 1996, requiring the FAA and the FBI to conduct joint threat and vulnerability assessments of security at select "high risk" U.S. airports and to provide Congress with an annual report. In the December 2000 report, the FBI and FAA published a classified assessment that suggested less concern about the threat to domestic aviation:

"FBI investigations confirm domestic and international terrorist groups operating within the U.S. but do not suggest evidence of plans to target domestic civil aviation. Terrorist activity within the U.S. has focused primarily on fundraising, recruiting new members, and disseminating propaganda. While international terrorists have conducted attacks on U.S. soil, these acts represent anomalies in their traditional targeting which focuses on U.S. interests overseas."

In short, less than a year prior to the September 11 attacks and notwithstanding historical intelligence information to the contrary, the FBI and FAA had assessed the prospects of a terrorist incident targeting domestic civil aviation in the United States as relatively low.

After September 11, 2001, the CIA belatedly acknowledged some of the information that was available regarding the use of airplanes as weapons. A draft analysis dated November 19, 2001, "The 11 September Attacks: A Preliminary Assessment," states:

"We do not know the process by which Bin Ladin and his lieutenants decided to hijack planes with the idea of flying them into buildings in the United States, but the idea of hijacking planes for suicide attacks had long been current in jihadist circles. For example, GIA terrorists from Algeria had planned to crash a Air France jet into the Eiffel Tower in December 1994, and Ramzi Yousef -- a participant in the 1993 World Trade Center bombing -- planned to explode 12 US jetliners in mid-air over the Pacific in the mid-1990s. Likewise the World Trade Center had long been a target of terrorist bombers."

Despite the intelligence available in recent years, our review to date has found no indications that, prior to September 11, analysts in the Intelligence Community were:

- Cataloging information regarding the use of airplanes as weapons as a terrorist tactic;
- Sending requirements to collectors to look for additional information on this threat; or
- Considering the likelihood that Usama Bin Ladin, al-Qa'ida, or any other terrorist group, would attack the United States or U.S. interests in this way.

A Key Al-Qa'ida Leader Involved in the September 11 Attacks

Information obtained by the U.S. Intelligence Community since September 11, 2001 suggests that a particular al-Qa'ida leader may have been instrumental in the attacks of September 11, 2001. The Joint Inquiry Staff therefore asked what the Intelligence Community **knew** about this individual prior to September 11, 2001 and what it did with that information. Based on our review to date, we believe that the Intelligence Community has **known** about this individual since 1995, but did not recognize his growing importance to al-Qa'ida and Usama Bin Ladin and did not anticipate his involvement in a terrorist attack of September 11's magnitude. Prior to September 11, 2001, there was little analytic focus given to him and coordination amongst the intelligence agencies was irregular at best.

The DCI has declined to declassify the information we developed on the grounds that it could compromise intelligence sources and methods and that this consideration supercedes the American public's interest in this particular area. We are therefore unable to present a complete description of what the Intelligence Community knew prior to September 11, 2001 about this individual.

Conclusion

Mr. Chairmen, our purpose this morning was to report on the information that the Intelligence Community **possessed**, prior to September 11, 2001, about terrorist attacks of the kind America witnessed on that fateful day. In closing, let me just say that for all of us who have been conducting this review, the task has been and continues to be not only a daunting one, but, in all respects, a sobering one. We are ever mindful that lost lives and shattered families were the catalyst for this Inquiry. We know, as I have heard Ms. Pelosi say many times, that we are on “sacred ground.”

We also have come to know – from our review of the intelligence reporting-the depth and intensity of the enemy’s hatred for this country and the relentless zeal with which it targeted American lives. We understand not only the importance, but also the enormity of the task facing the Intelligence Community. As my statement this morning suggests, the Community made mistakes prior to September 11 and the problems that led to those mistakes need to be addressed and to be fixed., On the other hand, the vengeance and inhumanity that we saw on that day were not mistakes or afterthoughts for Usama Bin Ladin and others like him. The responsibility for September 11 remains squarely on the shoulders of the terrorists who planned and participated in the attacks. Their fervor and their cruelty may be incomprehensible, but it is real, it persists, and it is directed at Americans. We are convinced that it is no longer a question of whether the Intelligence Community can do better – it must do better. America can afford no less.

Mr. Chairmen, the Joint Inquiry Staff intends to do its best to help you and these Committees achieve that goal. That concludes my statement,.